



What Impact Will NCLB Waivers Have on the Consistency, Complexity and Transparency of State Accountability Systems?

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Introduction

In September 2011, the Obama Administration initiated a program to grant states waivers of several significant requirements of the Elementary and Secondary Education Act (ESEA), as amended by the No Child Left Behind Act (NCLB). This initiative grew out of a concern that “in its implementation, No Child Left Behind had some serious flaws that are hurting our children instead of helping them,” as President Obama noted in a speech announcing the waivers (The White House, 2011). The provisions that can be waived include several requirements of NCLB intended to hold schools accountable for raising student achievement. Among them are the requirements for states to set annual student achievement targets that culminate in 100% of students scoring proficient in reading and mathematics by 2014, and to implement specific interventions in all schools and districts that fail to make adequate yearly progress (AYP) toward these targets for two consecutive years or more.

To receive NCLB waivers, states must apply to the U.S. Department of Education (ED) and must meet various requirements not currently in federal law. These new requirements relate to adopting college- and career-ready standards and assessments, developing differentiated accountability systems, implementing teacher and principal evaluation systems that factor in growth in student achievement, and reducing administrative burden.

As of September 1, 2012, waiver applications had been approved for 33 states and the District of Columbia.¹ During a first round of review, 11 states submitted waiver applications, and all were approved.² Another 26 states plus D. C. submitted waiver applications during a second round of review; 23 of these applications had been approved as of August 20, 2012, in some cases with conditions. The applications of three states (Idaho, Illinois, and Iowa) that applied for waivers in the second round are still pending, while one state (Vermont) withdrew its application.³ Seven states submitted applications to ED under the third round on September 6, 2012.⁴

Although states receiving first-round waivers were able to implement some policy changes in school year 2011-12, most of the waivers granted in both the first and second rounds will take effect beginning in 2012-13. Guidance documents establish a timeline for implementing new requirements during school years 2012-13 through 2014-15, the year when most waiver states expect to begin fully implementing new college- and career-ready standards and assessments. The current waivers are effective only through the end of school year 2013-14, however, and states will have to request an extension for future years. In addition, the statutory requirements are likely to change substantially when ESEA is reauthorized, which would diminish the impetus for waivers.

¹These include Arizona, Arkansas, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Virginia, Washington, and Wisconsin.

²For a description of the new requirements placed on waiver states, as well as a review of major accountability policies of states receiving first-round NCLB waivers, see the Center on Education Policy's report, *Major Accountability Themes of Approved State Applications for NCLB Waivers* at www.cep-dc.org.

³For details, see www.ed.gov/esea/flexibility and www.cep-dc.org.

⁴These include Alabama, Alaska, Hawaii, Maine, New Hampshire, North Dakota, and West Virginia.

The accountability policies in these approved plans represent a substantial departure from the often-criticized accountability requirements of the NCLB statute. In a large majority of states receiving waivers, these policies are more complex in key respects than those in the NCLB statute and will result in a more diverse array of accountability systems across states. It should be noted that these changes have been developed with the approval of ED, although in some cases waivers were approved with conditions.

This report by the Center on Education Policy (CEP) at the George Washington University compares the new accountability provisions in the waiver states with those in the NCLB statute. Examples from select waiver states are included to illustrate how these new provisions will work within some specific statewide accountability systems. The report focuses on the complexity, transparency, and consistency across states of the new accountability systems in the waiver states, both on their own terms and in comparison with the NCLB statutory requirements.

Accountability Provisions in the NCLB Statute

The NCLB statute contains several requirements intended to hold schools accountable for student performance. These requirements applied to all states until recently and will continue to govern accountability in states without waivers.

Annual Measurable Objectives

Under the NCLB statute, states that receive grants under Title I of ESEA must set yearly targets, or annual measurable objectives (AMOs), for the percentage of students expected to score at the proficient level or above on state reading and math tests and for student performance on at least one other academic indicator. For high

schools, the additional indicators must include the graduation rate; for elementary and middle schools, states have often chosen the attendance rate. Under NCLB, these AMOs must rise periodically on a trajectory that ultimately leads to 100% of students reaching proficiency by the end of the 2013-14 school year. While some states adopted an incremental approach that assumed relatively steady increases on the way to the 100% goal, others have taken a “backloaded” approach that calls for smaller achievement gains in the earlier years, followed by much steeper gains in the years approaching 2014 (CEP, 2008). In either case, school year 2013-14, the date by which 100% of students are expected to be proficient, is now rapidly approaching.

Adequate Yearly Progress

The AMOs are important because they are used to determine whether schools and districts have made AYP as defined by the NCLB statute. To make AYP, a school or district must meet every AMO, not only for the overall student population but also for each of several student subgroups. The subgroups for which performance is tracked under the NCLB statute include African American, Asian American, Latino, White, and (in some states) Native American students, as well as students from low-income families, English language learners (ELLs), and students with disabilities.

There are some exceptions to these basic AYP requirements. One exception allows states to exempt schools or districts from accountability for the performance of smaller subgroups—those in which the number of test-takers is below a state-set minimum, typically 30-40 students but higher in some states. Another key exception is the “safe harbor” provision, which offers a way for schools or districts to make AYP even when one or more subgroups fall short of the reading or math AMOs. A school or district qualifies for safe harbor if the percentage of students scoring *below* proficient in a specific subgroup decreases by 10% or more compared

with the previous year, and if the subgroup also meets the AMOs for the state's other academic indicators. The school must also comply with the federal requirement to test at least 95% of the students in each subgroup.

School Improvement and Its Consequences

AYP determinations play a central role in the statutory NCLB accountability system. All schools and districts that receive Title I funds and fail to make AYP for two or more consecutive years must be identified for improvement and are subject to consequences that become more stringent over time if the failure to make AYP persists. In the early years of improvement, the consequences for schools include offering public school choice and supplemental tutoring services; in the later years, they include undergoing “corrective action” and, eventually, a restructuring of the school's governance and operations. Some states also apply these consequences to schools that do not receive Title I.

State-by-State Variation in NCLB

Although the basic outlines of accountability in NCLB are consistent for all states, the statute does allow for some variation across states—as well as in the same state over time. For example, states can decide on their own content standards, assessments, and definitions of proficiency and other performance levels on these assessments; as a result the rigor of the standards and assessments vary considerably across states. In addition, states have different policies about several other aspects of NCLB accountability, such as minimum subgroup sizes and the use of growth models and statistical confidence intervals. These differences have complicated efforts to determine the impact of NCLB on student achievement.

Criticisms of NCLB Accountability

The accountability policies in the NCLB statute have been widely criticized on several counts:

- The new policies tend to over-identify schools for improvement because schools must surmount so many performance hurdles to make AYP. In the 2010-11 school year, 49% of all public schools in the nation failed to make AYP (CEP, 2012c), and this percentage would likely increase in the future if the NCLB waiver option were not available.
- These policies oversimplify decisions about school performance by setting up a situation in which a school either makes or does not make AYP and in which a failure to meet just one AMO can put it in the latter category.
- Standards for what constitutes proficient performance vary widely among states, and states have an incentive to maintain relatively low performance standards to keep the number of schools that fail to make AYP from rising even higher.
- The 100% proficiency goal for 2014 is widely considered to be unrealistic.
- The policies focus on performance in just two subjects, reading and math, which critics assert leads to narrowing of the curriculum. They also focus on absolute performance at one achievement level, proficient (except in safe harbor situations or in states that have received ED approval to use “growth models”). Critics maintain that this policy encourages schools to concentrate on raising achievement for students who score just somewhat below this benchmark, at the expense of students with very high or very low achievement.

- The requirement to take certain actions in all schools identified for improvement has been criticized as inflexible and a drain on limited resources.

In spite of these and other flaws, the accountability policies in the NCLB statute arguably provide some degree of transparency in all states implementing them. In addition, these policies have led to a substantial degree of consistency among states in several aspects of accountability. Under these policies, school performance is not considered to be adequate unless it is adequate for each of a wide range of student subgroups (as long as they meet standards for minimum subgroup size). The focus is on proficient performance in what most observers would agree are the two most important subjects, and all states are required to improve performance toward the same challenging goal of 100% proficiency.

General Accountability Provisions in Waiver States

In several key respects, the accountability systems being developed by states with waivers will be less uniform across states than in the past. States that receive NCLB waivers must still calculate progress toward AMOs for all of the student subgroups specified in the NCLB statute. But in contrast to the statutory provisions, states with waivers do not have to make AYP determinations; instead, they may substitute the AYP designations with performance designations based on state-developed accountability indexes. Waiver states may substitute other goals for NCLB's 100% proficiency goal, and these goals do not have to be consistent from state to state.

Under the waiver requirements developed by ED, states with waivers must identify three categories of schools based on their performance: Reward, Priority, and Focus

schools. Reward schools are those with high performance or high levels of progress. Priority schools are among the lowest-performing schools in the state and must total at least 5% of the state's Title I schools; these schools must undergo comprehensive and intensive intervention to improve their performance that are aligned with several specific "turnaround principles" outlined in ED's waiver guidance. Focus schools have large achievement gaps between subgroups or have one or more low-performing subgroups, and must implement targeted interventions. A basic element of the accountability systems in waiver states is the mechanism they will use to place schools in these categories. Waiver states do not have to select schools that fail to make AYP, or even all schools that fail to meet the requirements of a state-specific accountability index, for improvement or other consequences. These policies are likely to have the effect of identifying fewer schools for interventions.

Schools that are identified for consequences are no longer required to offer such specific services as public school choice or supplemental tutoring unless their state or district chooses to require this. Waiver states may use their state-developed accountability indexes to determine school performance and to select a limited number of schools for differing degrees of intervention. States may substitute a variety of school performance levels for the clear, if oversimplistic, categories of making or not making AYP. Finally, states may base major accountability determinations on the performance of fewer student subgroups, and different, more broadly-defined subgroups, than those specified by the NCLB statute and may select schools for performance consequences based on these newly-defined subgroups.

Content and student achievement standards are the one major area in which there will be greater consistency, at least theoretically, among waiver states than in the past. States that received waivers must commit to adopting college- and career-ready standards and assessments linked to these standards. A very large majority

of states in the U.S. have already adopted the Common Core State Standards (CCSS) developed through the leadership of the nation's governors and chief state school officers. Most states also plan to adopt the assessments aligned to the CCSS that are being developed by two state consortia. Most of these assessments will not be ready for implementation until school year 2014-15. Although one could expect to eventually see a relatively high degree of consistency in the standards and assessments of the adopting states, this will not occur until after the current waivers have expired.

What Will the Accountability System Look Like in Most Waiver States?

The new accountability policies being developed by waiver states vary in multiple ways, including the extent to which they differ from the NCLB statutory requirements. Nevertheless, some common themes, discussed below, can be identified among a majority of the states receiving waivers.

Changes in Annual Measurable Objectives

All states will continue to establish AMOs—targets for increased student achievement—and will report on the progress of schools and districts toward these AMOs by all of the subgroups in the NCLB statute. However, many states will have a wider range of AMOs in the form of performance targets that go beyond reading and math achievement and graduation or attendance rates. In addition, state policies for increasing AMOs over time vary widely.

Waiver states also differ in how they will apply their AMOs to accountability decisions. No state will continue the current policy of requiring all relevant student groups to meet the AMOs in reading and math in order for a school to make AYP or

otherwise avoid being identified for improvement. Further, it is either explicit or implied that some or all AMOs will vary by student group, school, and in some cases by district, rather than being uniform statewide as under the NCLB statute.

Elimination of the 100% Proficiency Goal

With one limited exception, no waiver state will continue to base AMOs on the NCLB statutory goal of 100% proficiency by 2014. (Louisiana will have three sets of AMOs, including one that maintains the goal of 100% proficiency goal by 2014, but this latter AMO will be used for reporting purposes only rather than for major accountability decisions.) Instead, the waiver states will set long-term achievement goals that vary from state to state.

ED guidance for waiver applications includes three alternatives to the 100% proficiency goal. Option A is to reduce by half the number of non-proficient students overall and in each designated subgroup within six years. Option B calls for 100% of students to be proficient by 2019-20 based on new college- and career-ready standards. Option C is to establish an alternative goal that is similarly “ambitious but achievable.” Many states chose Option A, and one state selected Option B. A number of other states chose Option C and have established state-specific goals that vary widely. For example, Michigan’s Option C goal is that 85% of students will score proficient by 2022 (for schools not already at that level or above); once a school reaches the 85% goal, it will then begin working toward a goal of 100% proficiency. In Colorado, the Option C policy starts with a goal for 2011-12 of the performance level of the school that ranked at the 50th percentile statewide in 2009-10, and rises to a goal for 2015-16 of the school at the 90th percentile in 2009-10.

Alternatives to AYP

A large majority of the waiver states will replace the AYP provisions in the NCLB statute with new, state-specific measures that will be used for major accountability decisions. In particular, these new measures, which often take the form of multifaceted performance indexes, will be used to determine whether schools are making sufficient progress and to identify low-performing (Priority and Focus) schools for interventions or especially high-performing schools for rewards.

These alternative measures vary widely in their scope, complexity, and transparency. In most waiver states, they will be substantially more complex than the AYP provisions in every respect except their treatment of student subgroups (see below).

In addition to considering student proficiency and graduation rates, the alternative measures often take into account individual student growth, aggregate progress in raising student achievement or reducing achievement gaps, test participation rates, and various indicators of college- and career-readiness for high schools. (Examples of the latter indicators include ACT or SAT scores, career and technical education (CTE) certifications, Advanced Placement (AP) test participation or scores, or postsecondary attendance rates.) A majority of waiver states will measure progress based partly on students' academic *growth*, rather than simply on whether students have met an absolute benchmark of proficiency. Some states plan to incorporate indicators in their performance indexes that go beyond measures of student achievement or attainment, such as teacher and principal effectiveness, school climate, or compliance with state law.

Although state plans differ, it appears that schools and districts will not only receive their overall index scores but will also receive information about their performance on the specific indicators that comprise those score. However, it may still not be clear how their scores on individual indicators were determined, and schools may find it difficult to understand how these are combined into an overall

score. In addition, the weights that a state assigns to the factors that comprise an index system will not only affect the resulting scores, but could also make it difficult to get a clear read on school performance.

Categories of Schools

While some waiver states will identify schools only in the three required categories of Reward, Priority, and Focus schools, most will place schools in as many as nine different categories. A common pattern is to establish five categories of schools labeled with A, B, C, D, and F grades or with one to five stars, and to separately assign subsets of the schools receiving certain grades or stars to the three federal categories of Reward, Priority, or Focus schools. These different categories will be subject to different degrees and types of interventions. For example, interventions in Priority schools, a relatively small percentage of a state's schools, will be comprehensive and intensive and must incorporate several specific actions outlined in ED's waiver guidance, such as replacing ineffective principals and staff and adding more instructional time to the school day. By contrast, interventions in Focus schools may be concentrated on improving achievement for specific groups of students.

Student Subgroups

Most waiver states will combine some of the NCLB statutory subgroups or will create one or more new, relatively broad subgroups for major accountability decisions. Many of these states plan to base some of their most significant accountability decisions on the achievement of just two to three subgroups—"all students" and one or two broad "disadvantaged" student groups. This replaces the NCLB approach of basing all accountability decisions on the separate performance of numerous specific subgroups, including major racial/ethnic groups, students from low-income families, students with disabilities, and English language learners.

Under NCLB, many schools have just one or two subgroups that are above the state minimum size and are therefore not held accountable for the performance of as many subgroups as larger schools are. The shift to broader subgroups in waiver states will likely mean that more schools will be held accountable for the performance of “disadvantaged” students, for example.

Combined Effect of Changes in Accountability

Each of the major accountability policies described above will be complex in itself and will often vary across these states. When these policies are combined into a statewide accountability system, the complexity and variation will be amplified.

Major Elements of School Accountability in Selected Waiver States

A review of the new accountability policies in selected states with waivers illustrates how these specific policies will work in combination. These states were chosen to include a mix of states approved in the first and second rounds of waiver reviews that differ in size and geographic location and that illustrate a wide range of new accountability policies, especially policies which are distinctly different from those in the NCLB statute. These states include Colorado, Louisiana, Massachusetts, Michigan, New Mexico, Oklahoma, Rhode Island, and South Dakota. In addition to providing details about the accountability systems in specific states, the examples below reveal some patterns in the systems being developed by waiver states.

Colorado

In Colorado, a multifaceted series of AMOs will include targets for four indicators: 1) achievement levels; 2) achievement growth; 3) gaps in the amount of growth among student groups; and 4) for high schools only, postsecondary and workforce readiness. For each of these indicators, the state will establish four performance levels with cut points based on the performance of the schools at the 15th, 50th, and 90th percentiles statewide in 2009-10.

Colorado's AMO targets will require schools to show annual progress in equal increments, starting with a goal for 2011-12 of the performance level of the school that ranked at the 50th percentile statewide in 2009-10, and rising to a goal for 2015-16 of the school at the 90th percentile in 2009-10. For its long-term goal, Colorado has chosen Option C, a state-specific goal. The state will reconsider, but not necessarily change, its achievement AMOs each year, and will change its growth AMOs as dictated by regular evaluation of growth targets. Cut points for the other two AMOs, gaps in growth and postsecondary and workforce readiness, will also be regularly reconsidered but not necessarily changed. AMOs will implicitly vary by school for the growth and growth gap performance measures.

Performance will be measured in reading, math, writing, and science, as well as in English language proficiency, for all schools, and in ACT test scores and graduation rates for high schools. On each indicator, schools will receive 1 to 4 points based on the four performance levels noted above; these points will then be aggregated to produce an overall score.

Colorado will report the performance on all AMOs for all student groups in the NCLB statute and will identify for targeted supports any school in which any subgroup fails to meet performance targets. However, major accountability decisions—particularly the selection of Priority, Focus, and Reward schools—will be

based on some factors with no disaggregation of student groups, (achievement and growth), and other factors (growth gaps and postsecondary and workforce readiness) that will be based on an aggregation of determinations of academic growth gaps and graduation rates for disaggregated student subgroups. The new subgroups will be the same ones in the NCLB statute, except that all non-white racial and ethnic groups will be combined into a single group, and a new “catch up” student group (students below proficient in the prior year) will be added.

Schools will be placed in one of four categories based on their overall performance—Performance, Improvement, Priority Improvement (Focus schools), and Turnaround (Priority schools).

Louisiana

Louisiana will establish three AMOs for (a) overall proficiency, (b) growth in achievement by a “super subgroup” consisting of all non-proficient students, and (c) overall progress toward 100% proficiency by 2014 (as in the NCLB statute). The first AMO will be based on overall School Performance Scores (SPS) and will require schools that have received a grade of “A” to gain 5 points each year or reach the maximum score of 150. Other schools will be required to gain 10 points annually on the 150 point SPS scale. The second AMO will vary by school; to meet this AMO, the non-proficient super subgroup in each school must exceed its expected growth—a figure that will be predicted based on a “value-added” model that considers past student performance but not student demographic characteristics. Elementary and middle schools will meet this AMO if 35% of their non-proficient students exceed expected growth in either math or reading. The benchmark for high schools has not yet been developed.

The third AMO is based on Louisiana's previous AMOs leading to 100% proficiency, as in the NCLB statute. This AMO will be used only for reporting and diagnostic purposes and will be revised by 2014. The first two AMOs do not change over time.

For its long-term goal, Louisiana has selected Option C, a state-specific combination consisting of growth in School Performance Scores, growth in performance for the non-proficient subgroup, and the 100% proficiency goal.

The key SPS indicator is based on student achievement levels and graduation rates. Achievement in four subjects—reading, math, social studies, and science—is taken into account, with a double weight applied to achievement in reading and math. Points are awarded for students performing at the proficient level (called “basic” in Louisiana) and extra points are awarded for students performing at the “mastery” or “advanced” levels.

For schools serving grades K-8, SPS points are based on achievement (95%) and dropout rates (5%). High school scores are based on achievement on state end-of-course exams (25%), ACT test scores (25%), graduation rates (25%), and a “graduation index” that weights graduation rates by the numbers of regular or advanced diplomas received (25%). These factors are based primarily on the performance of all students rather than of individual subgroups, although schools can receive bonus points for growth by the non-proficient subgroup. Schools receive overall grades of A, B, C, D, or F, based on their School Performance Scores.

Massachusetts

For its long-term goal, Massachusetts chose Option C, although the state has defined this in a way that is essentially equivalent to Option A, reducing non-proficient students by half within six years. As with other waiver states, Massachusetts will calculate and report performance on AMOs for all student

subgroups in the NCLB statute. But like a large percentage of waiver states, Massachusetts will use a new accountability measure for major accountability decisions and apply it to fewer subgroups.

Specifically, Massachusetts will replace AYP with a complex and multifaceted Progress and Performance Index (PPI) that includes test participation, achievement level, achievement growth, and graduation/dropout data for all students and for a high-needs combination subgroup. The PPI will be based on school data for the last four years, with greater weight given to the more recent data.

The achievement factor of the PPI will be based on a Composite Performance Index that assigns varying numbers of points to students who achieve at each of five performance levels on state tests. Some PPI indicators will be based on test results in reading and math only, while others will include science results as well. Schools will receive full credit for meeting the annual PPI target or reaching the achievement level of the school at the 80th percentile statewide. The achievement measure takes into account the reduction in the number of students in a “warning/failing” category in reading and math. Credit is also given for increasing the number of students reaching the “advanced” level of achievement.

PPI scores will be calculated based on just two subgroups: “all students” and a “high-needs” combination student subgroup. The combination subgroup in Massachusetts will include students with disabilities, students from low-income families, and current and former English language learners. The minimum subgroup size will be reduced from 40 to 30 students. In addition, schools with persistently low achievement for any of the full range of subgroups in the NCLB statute will be identified as Focus schools.

Based on PPI scores, all schools in Massachusetts will be classified at levels 1 (highest-performing) through 5 (lowest-performing). These levels will have major

implications for accountability. For example, schools at levels 4 and 5 will become Priority schools, while schools at level 3 will become Focus schools. Certain level 1 schools will be further identified as “High Achievement” or “High Progress” schools based on a variety of additional criteria. Massachusetts schools with high levels of improvement on growth measures will receive a commendation for narrowing achievement gaps. Finally, school districts in Massachusetts will be classified at the level of their lowest-performing school.

Michigan

Michigan’s AMOs will be based on an Option C goal of 85% of students scoring proficient by 2022 (for schools not already at that level or above), with equal increments of improvement toward that goal required for each intervening year. Once a school reaches 85% proficiency, it will begin working toward a goal of 100% proficiency. The AMOs and goal are to be reconsidered in three years. The state will also offer a safe harbor provision for schools in which proficiency improves at least at the rate of the school at the 80th percentile in a baseline year. The AMOs are the same for all schools and student groups.

Michigan will still calculate and report AYP through its Accountability Scorecard (see below), but key accountability decisions will generally be made on the basis of other measures, particularly a “Top to Bottom” ranking of all public schools in the state (see below). One exception to this general pattern is that a school with a “red” overall status on AYP (see below) can be identified as a Priority or Focus School.

The Michigan Department of Education will rank the performance of all schools in what the state calls a Top to Bottom list. The ranking will be based on an accountability index that considers a combination of student achievement, student growth over time, school improvement over time, and achievement gaps in five tested subjects (mathematics, reading, science, social studies, and writing), plus the

graduation rate for high schools. Top to Bottom rankings will be based on the performance of the “all students” group, as well as on gaps between the highest- and lowest-performing 30% of students in each school. Achievement for these rankings will be determined using standardized scale scores (student scores compared to the statewide distribution of scores in the same subject and grade level), not the percentage of students scoring proficient or higher.

A school’s ranking on the Top to Bottom list will be the primary determinant of Priority school status and a major determinant of Focus or Reward school status. Priority schools will consist of the bottom 5% of schools on the Top to Bottom list, along with any other schools with a graduation rate of less than 60% and certain schools participating in the School Improvement Grant program. Priority schools will be divided into four subcategories (targeted, serious, critical, and intensive needs schools). Reward schools will include schools that are (a) in the top 5% on the Top to Bottom ranking overall; (b) in the top 5% on the *improvement* measures in this ranking; (c) that exhibit continuous improvement beyond the 2022 goal of 85% proficiency; or (d) have been identified for “beating the odds.” This last group consists of schools that outperform their predicted Top to Bottom percentile ranking, as predicted by the school’s demographic makeup, or that outperform the 30 most demographically similar schools in the state. Reward schools must also receive a rating of dark green, lime green, or yellow on Michigan’s Accountability Scorecard (see below). Finally, Focus schools will consist of the 10% of schools with the largest achievement gaps in the state, based on a comparison of the average scale score for the top 30% and bottom 30% of students in each school.

In addition to the Top to Bottom accountability index ranking, Michigan will generate a separate Accountability Scorecard for every school, which will show performance on proficiency and improvement targets for all students and for all NCLB subgroups. This scorecard will assign schools ratings of green, yellow or red for each combination of subject and student subgroup. A red rating (worth 0 points

toward the final score) means that a school meets neither the proficiency nor the safe harbor improvement target for the specified subject/subgroup combination. Yellow (worth 1 point) means that the school meets the safe harbor improvement target only. Green (worth 2 points) means that the school meets the proficiency target, although a green rating will also be assigned when the lowest-performing 30% “super” subgroup meets the safe harbor target.

As an indicator of the complexity of Michigan’s index system, the point values of these subject/subgroup color scores are combined to produce a final overall rating that denotes the percentage of maximum possible points the school received, using an expanded color palette. A school receives a rating of dark green if it earns 85% or more of the maximum possible points, lime green for 70-85%, yellow for 60-70%, orange for 50-60%, and red for less than 50%. A school’s overall color rating will be reduced if it receives a red rating for test participation by any subject/subgroup combination. Each school’s Accountability Scorecard will also include data on graduation rates (for high schools), attendance, participation, educator evaluations, and compliance with state law.

New Mexico

In New Mexico, School Growth Targets (SGTs) will replace AMOs, although the difference is partly semantic. SGTs translate into points that go into a School Grade calculation. SGTs will be set so they lead to two long-term goals: within 10 years, all schools will reach the performance level of the school at the 90th percentile in the base year, and within 7 years, all schools will reduce by half the achievement gap between the top 75% of students and the bottom 25%.

In New Mexico, major accountability determinations will be based on a system of letter grades from A to F. For elementary and middle schools, these School Grades will be premised on (a) levels of student achievement; (b) growth in student

achievement compared to past performance for the school overall and for individual students; (c) growth in achievement specifically for the lowest-performing 25% and highest-performing 75% of students; and (d) opportunity to learn, based on attendance and classroom surveys and with potential bonus points awarded using measures of student and parent engagement. For high schools, the School Grades will be based on the same factors except those related to student growth, plus (1) the graduation rate, (2) growth in the graduation rate, and (3) college- and career-readiness. The latter will be measured using participation in and performance on AP tests, ACT tests, dual enrollment programs, and CTE certification programs, among others.

The grade a school receives will have major implications for accountability decisions. School Grades and other major accountability determinations will be based on the performance of either all students or the lowest-performing 25% and highest-performing 75% of students in each school. In addition, targeted assistance will be provided to all schools in which the performance of any of the NCLB statutory subgroups is low.

Oklahoma

For its long-term goal, Oklahoma chose Option C, a state-specific goal. The AMOs incorporating this goal are based on levels of, and growth in, math and reading index scores as well as an attendance index score (elementary and middle schools) or graduation index score (high schools). Required levels for the latter two index scores rise annually over the next few years, but the required levels of the math and reading index scores do not change annually.

Oklahoma will base major accountability determinations and school performance categories on an A-F school grading system. School Grades will be developed using the following factors: (a) achievement in all tested subjects, which include science,

social studies, and writing in some cases (all students); (b) learning gains in reading and math (all students); (c) learning gains by the lowest-performing 25% of students in reading and math; and (d) “whole school performance.” For high schools, “whole school performance” will be based on graduation rates; participation in college and career preparation programs (including AP, IB, and industry certification courses and programs); SAT and ACT test scores; and indicators of school climate and parent and community engagement. For elementary schools, whole school performance will be based on attendance; for middle schools, it will be based on attendance, parent and community engagement, school climate, participation in higher-level courses, and dropout rates.

The school grades will be supplemented by plus or minus designations based on progress in meeting AMOs for the full range of student subgroups specified in NCLB and evaluations of teacher and principal performance. School Grades will be used to determine Priority schools (those that receive an F grade), Targeted Intervention schools (C grade), and Reward schools (A grade, supplemented by other schools showing high rates of progress). Focus schools will be selected from among those with the lowest achievement or graduation rates for the state’s lowest-achieving subgroups.

Rhode Island

Rhode Island will establish AMOs toward the Option A goal, reducing by half the number of non-proficient students within six years. AMOs will vary by school, school district, and student subgroup.

Major accountability determinations in Rhode Island will be based on a Composite Index Score (CIS). The CIS takes into account seven factors, each of which has five levels of scoring that range from 20-100. The indicators include the following:

- The percentage proficient (based on all students)

- Progress toward the Option A long-term goal (based on all students)
- The percentage of students scoring above proficient (distinction or advanced, based on all students)
- Consolidated subgroup performance gaps (based on gaps in performance between students in the consolidated subgroups, discussed below, and students not in these subgroups)
- Achievement growth (the median student growth percentile for the consolidated subgroups compared to students not in the subgroups, for elementary and middle schools only)
- High school graduation rates (four-, five-, and six-year rates for all students)
- High school “scaled score change” (improvement in 11th grade test scores over the previous year for all students)

For all of these targets except progress toward the long-term goal, cut points defining performance levels are based on the current range of school performance in Rhode Island. Based on their CIS scores, schools will be placed in one of six categories: Commended, Leading, Typical, Warning, Focus, and Priority.

Rhode Island will report achievement results for all of the NCLB subgroups and will continue to determine whether each subgroup meets AMOs, although the minimum subgroup size will be reduced from 45 to 20. However, schools’ CIS scores will be based on the performance of all students and just two super subgroups: (a) African American and Latino students plus students from low-income families; and (b) students with disabilities plus English language learners. To determine achievement gaps for the CIS calculation, the state will compare the performance of students in each of these super subgroups with the performance of students not in the subgroup. Rhode Island will also consider levels of growth or progress by individual subgroups in selecting Focus schools.

South Dakota

South Dakota will establish AMOs for all of the NCLB subgroups based on an Option A goal of reducing by half the number of non-proficient students overall, and in each subgroup, within six years. These AMO results will be published and used for diagnostic purposes but will not be the primary determinants of major accountability classifications. For accountability purposes, South Dakota plans to use scores on a School Performance Index that includes five indicators:

- 1) Student achievement in grades 3-8 and 11, based on the percentage of students in two combination subgroups (see below) that score proficient or advanced on the state English language arts and math tests, and with the scores of each group weighted according to the relative size of the group in each school
- 2) For elementary and middle schools, academic growth in English language arts and math achievement as gauged by a model that is yet to be determined; or for high schools, high school completion rates for all students as gauged by both the four-year cohort graduation rate and a completer rate that includes individuals who earn General Educational Development (GED) certificates
- 3) For elementary and middle schools, attendance rates for all students; or for high schools, college and career readiness for all students based on the percentage of students taking the ACT and the percentage reaching or exceeding specified minimum scores on that test
- 4) Effective teachers and principals, as determined by a set of quantitative and qualitative performance measures that are yet to be decided

- 5) Measures of school climate that will include evidence of a safe and healthy school environment, using measures that are yet to be determined

Until 2014-15, only factors (1), (3) and the high school completion portion of (2) will be used. Performance reporting will still include all NCLB student subgroups, with a minimum group size of 10 students, but most major accountability determinations will be based on either all students or an unduplicated count of students in the two subgroups described below.

Based on SPI scores, schools will be placed in the following categories: Exemplary, which includes those with SPI scores in the top 5% overall or in the top 5% for improvement of SPI score; Status (top 10% SPI); Progressing (5th to 90th percentile SPI); Focus (10% of Title I schools with the greatest subgroup needs based on indicators for the “GAP” subgroup described below); and Priority (bottom 5% SPI).

South Dakota will base major accountability determinations on all students plus students in two combination subgroups. The first group, referred to as the GAP group, consists of an unduplicated total of African American, Native American, Latino, and economically disadvantaged students, students with disabilities, and English language learners; each student will be counted only once, no matter how many of the preceding categories the student may fall into. The second “non-GAP” group consists of all students not in the GAP group.

Concluding Remarks

The new accountability provisions in states with waivers will replace some of the most criticized aspects of the NCLB statute, including the categorization of schools as making or not making AYP, the heavy emphasis on percentages proficient, the 100% proficiency goal, the number of student groups used for major accountability

decisions, the over-identification of schools for improvement, and the requirements for schools in improvement to provide school choice and supplemental tutoring.

Several major aspects of accountability in the waiver states will be substantially more complex and multifaceted than they were under the NCLB statute. Many waiver states will determine schools' progress using performance indexes that take into account a number of indicators beyond reading and math achievement and graduation and attendance rates; examples include growth in student achievement and indicators of college and career readiness, school climate, and teacher and principal effectiveness. Many of these indexing systems will also use complicated weightings and formulas to arrive at an index score for schools. In addition, states will use a wider range of performance categories to identify schools for interventions. Although these systems are complex, one could argue that they capture more dimensions of school performance that impact achievement, such as school climate.

The accountability systems being developed by waiver states will be more diverse and less consistent across states in key respects than those resulting from the NCLB statutory requirements, due to differences in states' AMOs, methods for categorizing schools for interventions, use of state-specific performance indexes in many cases, and other variations. In addition, schools in each category will receive different types of interventions, even within the same state.

The standards for the content students should learn and the assessments of their achievement are likely to eventually become *more* consistent across states as a result of most states' adoption of the Common Core State Standards and aligned common assessments. Over the long term, this will likely make it easier to compare student achievement levels among states. But assessments aligned to the CCSS will not be ready to be administered until 2014-15, after when the current waivers expire; in the meantime, systems will continue to vary across states.

Requirements to hold schools accountable for the performance of multiple student subgroups will be simplified somewhat in many waiver states. While waiver states must still calculate progress for all of the subgroups specified in NCLB, most are using fewer subgroups, and more broadly-defined subgroups, to make major accountability decisions. Several states will identify schools for interventions based on the achievement of just two to three subgroups. This is likely to result in more schools being held accountable for the performance of disadvantaged students because the broader groups will often be larger than a state's minimum subgroup size. At the same time, it reduces the number of hurdles that schools must surmount to demonstrate progress. It is not yet clear whether these "super subgroups" will result in less attention to the unique needs of racial/ethnic groups, low-income students, ELLs, and students with disabilities.

The new accountability systems in waiver states are likely to be less transparent to educators and the public than the systems they replace. Many of these states take so many factors into account that it may be difficult for school staff to understand how their performance is being measured and how to improve their school's performance category.

Further implications of the new systems are discussed in a companion CEP policy brief, *Accountability Issues to Watch under NCLB Waivers*. Ongoing monitoring of the implementation and impact of the new systems will be necessary to see whether they are accomplishing the critical goals of improving student achievement and reducing achievement gaps.

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